

Vermont's Emerging Workforce Challenge

Vermont Human Resources Investment Council

Like many other States, Vermont faces a significant challenge in creating, attracting, and holding on to high wage jobs. There are no guarantees and no entitlements to good jobs, with their resulting wealth creation and good living standards. Some jobs, such as those in health care, agriculture, construction, and tourism will continue to be available locally. The rest, including jobs in important sectors like manufacturing and information technology are up for grabs. Regions, states, and countries will be competing for the best employment opportunities.

To be successful in attracting and holding on to these jobs, Vermont must have something that is not available elsewhere. Our workforce can provide that unique advantage. To be successful, all Vermonters must:

- Obtain a well-rounded education, including solid basic knowledge in reading, written and oral communication, math and science, and career awareness.
- Be innovative and creative with a passion for lifelong learning.
- Have the personal and social skills to succeed in collaborative workplaces.

Creating a highly skilled workforce goes beyond the work of a single organization. It will require the commitment of all of the citizens of Vermont, including the public education system, parents, employers, higher education, workforce training programs, social service organizations, and political and private sector leaders.

Vermont's attractive environment and high quality of life will only translate into economic prosperity if we are able to add the advantage that a skilled workforce can provide. Either we will successfully compete with our skills, or we will see the good jobs, and a Vermont way of life, slip away. The solution lies in a collaborative effort focused on multiple strategies;

- 1) All children arrive at school ready to learn.
- 2) Full statewide implementation of the High Schools on the Move or similar school improvement initiatives that lead to greater evidence of enhanced learning and graduation for all students.
- 3) Citizens have access to and recognize the importance of postsecondary education and lifelong learning.
- 4) Employers affirm their support of education by providing workplace experiences for students, requesting records of an individual's performance in education, and investing in the continuing skill enhancement of their employees.

3 Factors That Will Effect the Vermont Workforce

The education and skill requirements of jobs are increasing rapidly.

- Over 70% of employers interviewed by the regional WIBs reported that they have passed up opportunities to expand their businesses because they could not find workers who could handle what would be required.
- Jobs that were once available to workers with limited academic skills now require strong skills in reading, communication, math, and the use of computers.
- Those without a high school diploma earn only 65% of the US average wage. High school graduates earn 83%, and those with a bachelors degree earn 131%.
- Between 1999 and 2004, the number of youth between the ages of 16 and 20 seeking services from Vermont Adult Learning has increased by 300% to 1,500 students in 2004.
- Employers invest more in skilled workers. Half of college graduates receive training on the job, but fewer than 20% of school dropouts receive such training.
- Of the top ten fastest growing jobs in Vermont, seven require two year college degrees or more for entry, and two others require specific post-high school training.
- Specialized information technology, software, and computer skills are required in 95% of jobs in banking/insurance, graphics/printing, and healthcare.

There will not be enough workers to fill Vermont's skilled jobs.

- Vermont's workforce is older than the average in most other states, and as baby boomers retire a large number of skilled workers will leave the workforce.
- The supply of workers in Vermont is expected to grow at a rate of only 1.5% per year over the next 10 years, down from an average of 5% a year since the 70's.
- From the 1990 census to the 2000 census Vermont had a 19% decline in the 20-34 year old population.
- There will be an 18% decline in Vermont's high school population over the next ten years.
- Women, a source of new workers in many states, are already participating in the Vermont workforce at one of the highest rates in the nation.

The earnings gap will continue to widen.

- Since 1961, wages for the top quartile of men have increased by 50%, while wages for the bottom quartile have shown almost no growth.
- Since 1961, wages of the top quartile of women have increased by 70 %, while earnings for the bottom quartile of women have increased only 30%, and women continue to earn less than men.